GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:6447
ANSWERED ON:09.05.2005
DECLARATION OF SUPPORT PRICE
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Will the Minister of AGRICULTURE be pleased to state:

(a) the crops for which the support price has been declared by the Government;

(b) whether the Government have estimated the cost targets of the farmers for determination of prices of paddy;

(c) whether the Government is providing incentives to the farmers to produce crops like sunflower, pulses and oilseeds instead of the above-said crops;

(d) whether an increase of Rs.160/- has been made in the prices of sunflower seeds;

(e) if so, the reasons therefor;

(f) whether the production of sunflower seeds are estimated to increase; and

(g) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a): The Government has declared the Minimum Support Prices (MSPs) for kharif crops of 2005-06 season on 20th April, 2005 in respect of Paddy, Jowar, Bajra, Maize, Ragi, Arhar (Tur), Moong, Urad, Cotton, Groundnut-in-shell, Sunflower seed, Soyabeen, Sesamum and Nigerseed.

(b): While recommending MSP, the Commission for Agricultural Costs & Prices (CACP) analyses a wide range of data which includes the cost of cultivation/production. The estimates of cost of cultivation/production are based on expenses incurred on agricultural inputs including seeds, fertilizer, pesticides, irrigation, power, interest on cost of land, depreciation on implements and machinery etc. The cost covers not only paid−out costs (actual expenses incurred in cash and kind, including rent for leased-in land) but also imputed value of owned assets including land and family labour for which the farmers do not incur cash expenses.

(c): With a view to providing necessary price signal to promote diversification into pulses and oilseeds for which India depends on imports to bridge domestic demand supply gap, the Government have been announcing relatively higher Minimum Support Prices for pulses and oilseeds vis-Ã -vis other crops particularly cereals.

Government of India is also implementing a Centrally Sponsored Integrated Scheme for Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) in 14 major oilseeds and pulses growing States with a view to increase the production and productivity of oilseeds and pulses in the country. Under the scheme assistance is provided to farmers for purchase of breeder seed, production of foundation seed, production and distribution of certified seed, distribution of seed minikits, plant protection chemicals and equipments, weedicides, gypsum / pyrite / liming / dolomite, sprinkler sets and water carrying pipes, supply of rhizobium culture / phosphate solubilising bacteria etc. to encourage farmers to grow oilseeds and pulses.

(d) & (e): To promote diversification into oilseeds for which India depends on imports to bridge domestic demand supply gap the MSP of sunflower seed has been raised by Rs. 160 per quintal for 2005-06 season as compared to the MSP of 2004-05 season.

(f) & (g): The policy of announcing relatively higher MSPs of oilseeds vis-Ã -vis other crops has helped increase the production of sunflower seeds from 8.73 million tonnes in 2002-03 to 9.92 million tonnes in 2003-04 and to 14.15 million tonnes in 2004-05 (Third Advance Estimates).